



**PRELIMINARY SURVEY VISIT**

# **AREA X ADMINISTRATION**

## **A. ORGANIZATION**

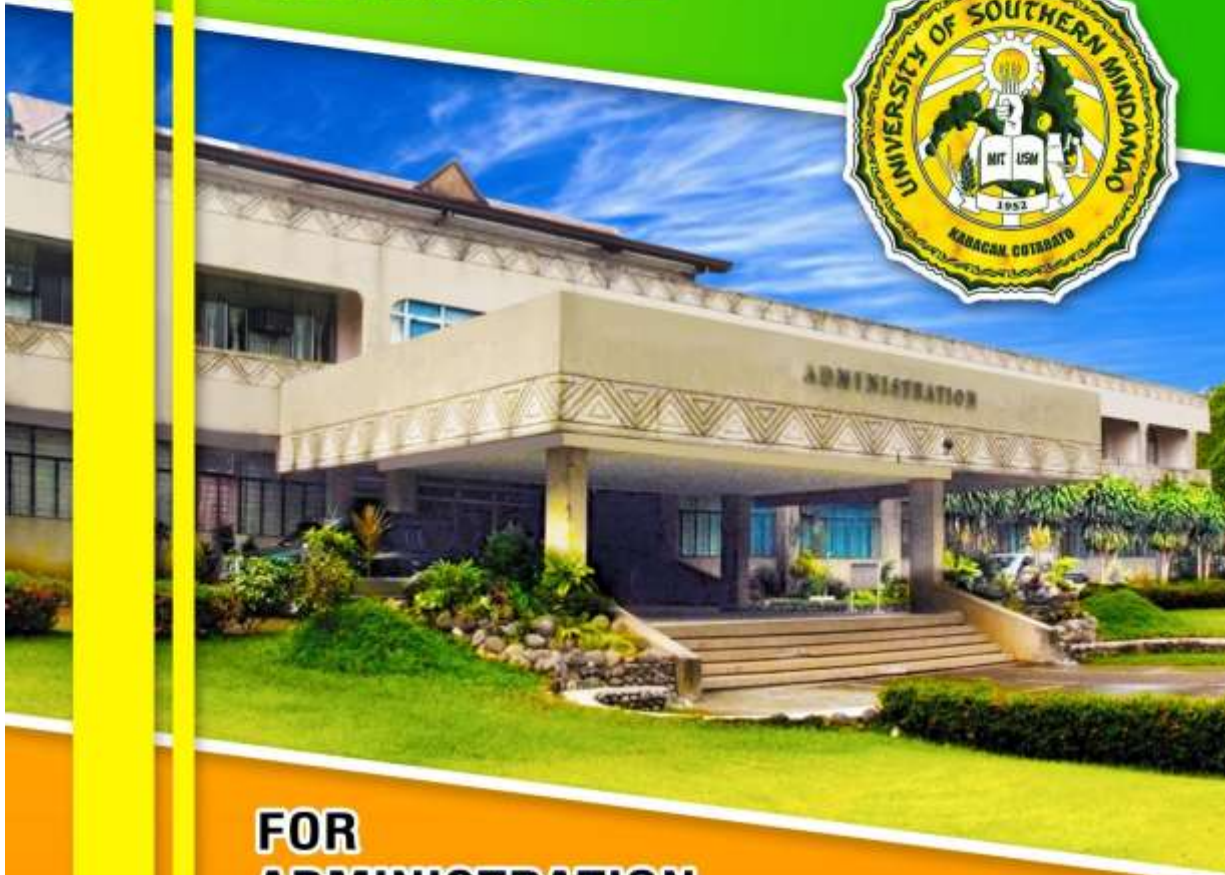
### **A.8. Administrative/ Operations Manual**

# UNIVERSITY OPERATIONS MANUAL



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## FOR ADMINISTRATION AND FINANCE

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# UNIVERSITY OPERATIONS

## MANUAL

### for Administration and Finance

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# Purpose of this Manual

The University of Southern Mindanao is committed to a transparent and responsible preparation of financial statements consistent with appropriate issuances of the government through the Department of Finance, the Department of Budget and Management, the Commission on Audit, and other pertinent government agencies. This manual aims to facilitate the work of employees involved in administrative and financial work tasks. The manual will also work as a tool for the management in implementing internal control.

Hopefully, these policies and procedures will address concerns on the various administrative, accounting, and financial policies, internal control policies, and relevant office administration policies affecting the University's day-to-day operations. The written policies will also ensure financial accountability and transparency, minimize misunderstanding, sustain good governance, and protect the assets of the University. This first phase of the operation manual covers only the offices under the Vice-President for Administration and Finance.

## LIST OF ACRONYMS

AARR – Accounting Auditing Rules and Regulations AO –  
Accountable Officer

BAC – Bid and Awards Committee BEDs –  
Budget Execution Documents

BESF – Budget Expenditures and Sources of Financing

BOR – Board of Regents

BURS – Budget Utilization Request and Status CAR –  
Corrective Active Request

CDs – Calendar Days

CHED – Commission on Higher Education COA –  
Commission on Audit

COA Circular 2012-001 –

COS – Contract of Service

DBM – Department of Budget and Finance DV –  
Disbursement Voucher

FMSO – Financial Management Services Office GAA –  
General Appropriation Act

GAB – General Appropriation Bill

GAD – Gender and Development Office GAM –  
Government Accounting Manual

GASS – General Administration and Support Services GMS  
– Ground Maintenance Section

HOPE – Head of Procuring Entity

HRMDO – Human Resource Management and Development Office HRDT –

Human Resource Development Training

IAS – Internal Audit Services ICS

– Inventory Custodian Slip

IGPs – Income Generating Projects

IPCR – Individual Performance Commitment and Review IRAF –

Invoice and Receipt of Accountable Forms

JEV – Journal Entry Voucher JO –

Job Order

MDS – Modified Disbursement System MFs

– Mandated Functions

MGMS – Machinery and Ground Maintenance Section

MOOE – Maintenance and Other Operating Expenses MR –

Memorandum Receipt

NBC – National Budget Call NCA –

Notice of Cash Allocation

NEDA – National Economic and Development Authority NEP –

National Expenditure Program

OAS – Office of Administrative Services OP –

Office of the President

OPCR – Office Performance Commitment and Review OSA

– Office of Student Affairs

PAPs – Program Activities and Projects

PAR – Property Acknowledgement Receipt

PASUC – Philippine Association of State Universities and Colleges PDO –  
Planning and Development Office

PHILGEPS – Philippine Government Electronic Procurement System PO –  
Purchase Order

PPDSO – Physical Plant and Development Services Office PPE –  
Personal Protective Equipment

PPMP – Project Procurement Management Plan PR –  
Purchase Request

PRE – Program Receipts and Expenditures PRTC  
– Philippine Rubber Testing Center RAO –  
Registry of Allotment and Obligations RDCs –  
Regional Development Councils

RFQ – Request for Quotation RIS –  
Requisition and Issue Slip

RSMI – Report of Supplies and Materials Issued SAR  
– Systems Access Request

SMART – Specific Measurable Realistic and Time SMSO –  
Security Management Services Office

SPMS – Strategic Performance Management System SUCs  
– State Universities and Colleges

TBA – Tier Budget Approach TO –  
Travel Order

TWG – Technical Working Group

UICTO – University Information and Communication Technology Office UPRIO –

University Public Relation and Information Office

UQAC – University Quality Assurance Center URS –

Unified Reporting System

USM – University of Southern Mindanao

VPAF – Vice President for Administration and Finance

## LIST OF OPERATIONAL TERMS

**Accountable Form** is a document that acknowledges the receipt of money or issued for value that uses a sequential number or pre-numbered form.

**Accountable Officer** is an employee of the University with permanent status who is designated as collecting officer and with security bond.

**Advice to Debit Account (ADA)** refers to an authorization issued by the National Government Agency (NGA)/Operating Unit (OU) appearing in the lower portion of the List of Due and Demandable Accounts Payable-Advice to Debit Account (LDDAP-ADA). It serves as instruction to the Modified Disbursement System, Government Servicing Banks (MDS-GSBs) to debit a specified amount from its available NCA balance under regular MDS sub-account for payment of creditors/payees through the Expanded Modified Direct Payment Scheme (ExMDPS).

**Agency to Agency** procurement of Goods, Infrastructure Projects and Consulting Services from another agency of the Government of the Philippines.

**Allotment** is an authorization issued by the Department of Budget and Management (DBM) to National Government Agencies to incur obligations for specified amounts contained in a legislative appropriation in the form of budget release documents. It is also referred to as Obligatory Authority.

**Appropriation** is the authorization made by a legislative body to allocate funds for purposes specified by the legislative or similar authority.

**Automatic Voltage Regulator (AVR)** refers to a device designed to regulate voltage automatically – that is, to take a fluctuating voltage level and turn it into a constant voltage level.

**BAC** refers to Bids and Awards Committee with the following composition: BAC Chairman, BAC Members, BAC Secretariat and Technical Working Group (TWG).

**Backhoe** is a multipurpose vehicle used for loading and excavating.

**Board of Regents (BOR)** is the highest governing body of the University with the authority to approve all Program of Expenditures and utilization.

**Boom Truck** is a vehicle with a hydraulic crane mounted on its back used for lifting persons or materials to a higher location.

**Cash Collection** refers to the collection of all monies received.

**Cash** is defined as coin, currency, checks, demand draft and managers' checks transaction

**Client** refers to person or organization using the services of a company or office.

**Coaster** refers to the existing one-unit 30-passenger seating capacity 2016 Toyota coaster.

**Commercial Checks** refer to a check issued by government agencies chargeable against the agency's checking account with Authorized Government Depository Banks (AGDBs).

**Control** is an act regulating the use of generated records where retrieval and access shall be defined.

**Data Center** refers to the facility that centralizes the University's IT operations and equipment, and where it stores, manages, and disseminates its data.

**Database** refers to the collection of records or information.

**Direct Contracting** is a method of procurement of goods that does not require elaborate Bidding Documents. The supplier is simply asked to submit a price quotation or a pro-forma invoice together with the conditions of sale.

**Disbursements** constitute all cash paid out during a given period in currency (cash) or by check or Advise to Debit Account (ADA). It may also mean the settlement of government payables/obligations and shall be covered by Disbursement Voucher (DV) and/or Payroll.

**Electric Motor** refers to an electric powered dynamo/machine that drives an equipment to perform a job.

**End-user** refers to the personnel of the University who requested the supplies and materials.

**External Fund** refers to the USM externally funded researches and extension projects.

**Farm Equipment** refers to various tractor-drawn implements used in various farm operations.

**Fund 101** refers to the funds from the national budget.

**Fund 06** refers to the local fund specifically derived from income-generating projects.

**Fund 05** refers to the trust fund from tuition fees.

**Garbage or Waste** refers to the undesirable by-products of all colleges, offices and canteens.

**Garbage Segregation** is the proper disposal according to categories set by the Government.

**General Appropriations Act (GAA)** refers to the program and expenditure for a specific year duly approved by the Congress of the Philippines.

**General Fund** refers to the financial plan of the national government for a given period, usually for a fiscal year, which shows what its resources are, and how they will be generated and used over the fiscal period, classified as Fund 101.

**Generator Set** refers to equipment that generates electric power using gas or diesel internal combustion engines.

**Grants** are funds disbursed by one party (Grant Makers), often a government

**Hardware** refers to the physical elements that constitute a computer system.

**HOPE** stands for Head of the Procuring Entity which is the Board of Regents (BOR) or the USM President consistent with RA 9184, Article I. Section 5, Paragraph J.

**Inventory** refers to the quantity of Property, Plant and Equipment that appears as an asset on the University Financial Statement

**Inventory Team** refers to personnel of the University consisting of a Chairman and four members coming from Internal Audit Services and other designated personnel with permanent status.

**IT Equipment** refers to a group or family of product, which include devices that have a primary function related to the collection, transfer, storage, or processing of data such as computers, monitors, keyboards, printers, and any portable devices.

**List of Due and Demandable Accounts Payable-Advice to Debit Account (LDDAP-ADA)** is an accountable form integrating the ADA with the LDDAP, which is a list reflecting the names of creditors/payees to be paid by the NGA/OU and the corresponding amount of unpaid claims.

**Maintenance** refers the work needed to keep something in good condition.

**Mowing** is cutting of grasses using a tractor-mower and grass-cutters.

**Negotiated Procurement** is a method of procurement of Goods, Infrastructure Projects, and Consulting Services, whereby the Procuring Entity directly negotiates a contract with a technical, legally and financially capable supplier, contractor or consultant.

**Network** refers to a set of computers connected together for the purpose of sharing resources.

**Obligation** is an act of a duly authorized official which binds the government to the immediate or eventual payment of a sum of money. Obligation maybe

referred to as a commitment that encompasses possible future liabilities based on current contractual agreement.

**Official Receipt** refers to the accountable form issued to the client as acknowledgement that a payment has been received.

**Power Lines** refer to electric power supply lines that distribute electric power to all consumers.

**PPE** means Personnel Protective Equipment and are clothing and wearable equipment that protects one from a hazardous environment.

**Procurement** is the process of selecting and acquiring goods and services based on the Implementing Rules and Regulation (IRR) of Republic Act 9184.

**Program of Receipts and Expenditures (PRE)** is a budget plan accomplished by the project leaders/in-charge submitted to the office the budget officer for consolidation. It is a line item budget/financial plan for a specific year for the operation of all locally generated income of USM, duly approved by the Board of Regents (BOR).

**Project Implementation by Administration** refers to approved construction projects where materials are purchased by the university and implementation is executed by hired personnel.

**Project Implementation by Contract** refers to approved construction project and implementation is done by a legitimate Construction Firm.

**Property, Plant and Equipment** refers to tangible assets that appears on the Financial Statement of the University

**Pruning** is cutting of tree branches.

**Public/Competitive Bidding** refers to a method of procurement which is open to participation by all interested parties.

**Receiving** is the act of taking possession of the products in order to stage them for inspection, place them to inventory, or deploy them to the end user for immediate use.

**Record** refers to the data or information of student or faculty stored in a database.

**Refund** refers to the amount of money that is given back to someone who has overpaid the amount due.

**Registry of Allotment and Obligations (RAO)** shall be maintained by the Budget Division/Unit of agencies to record allotments, obligations and disbursements. It shall show the allotment received for the year, obligations incurred against the corresponding allotment and the actual disbursements made. The balance is extracted every time an entry is made to prevent incurrence of obligations in excess of allotment and overdraft in disbursements against obligations incurred.

**Reimbursement** is the repayment of money for costs incurred or expenses paid.

**Remuneration** refers to the total compensation received by an employee, which includes but is not limited to the person's base salary, bonuses, benefits, and other forms of compensation.

**Repair** refers to the action of fixing or mending something.

**Repeat Order** is a method of procurement of Goods from the previous winning bidder.

**Scholarship** is an award of financial aid for a student to further education.

**Server** refers to a computer program or a device that provides functionality for other programs or devices called "clients".

**Shopping** is a method of procurement of Goods whereby the Procuring Entity simply request for the submission of price quotations for readily available good(s)/equipment(s) to be procured directly from suppliers of known qualification.

**Small Value Procurement** is a procurement of Goods, Infrastructure Projects and Consulting Services, where the amount involved does not exceed the threshold prescribed in the IRR of RA 9184.

**Software** refers to the part of a computer system that consists of encoded information or computer instructions, in contrast to the physical hardware from which the system is built.

**Storekeeper** refers to personnel engaged in the receipt, control and issuance of supplies and equipment.

**Tractor** is a mechanized farm equipment used in various farm operations.

**Transport Vehicle** refers to passenger or cargo vehicle.

**Trip Ticket** is the official government document that monitors the official trips of faculty and staff of the University, using the University's vehicle.

**TWG** refers to the Technical Working Group appointed by the BAC Chairman to conduct inspection and verification of pertinent documents for bidding.

**Unshielded Twisted Pair (UTP)** refers to a popular type of cable that consists of two unshielded wires twisted around each other. **USM Campus Grounds** refers to the academic, non-academic and housing areas.

**Utilization** refers to financial operation/consumption based on obligation of payments, reimbursement or advances.

**Value Added Tax (VAT)** is an indirect tax and the amount of tax may be shifted or passed on to the buyer, transferee or lessee of the goods, properties, or services. The WA, before making payment on account of each purchase of goods and services, shall deduct and withheld a final VAT tax rate of five percent (5%) of the gross payment thereof.

**Video Graphics Array (VGA)** refers specifically to the display hardware first introduced with the IBM PS/2 line of computers in 1987. It is also an analog interface between computer and monitor that was widely used prior to the DVI standard.

**Warrant Register or Check Register** refers to the record book used by the Disbursing Officer to record all the check issued for release.

**Water Flushing** is a practice of opening fire hydrants in order that all water sediment deposits built-up are discharged from the water supply lines.

**Water Pump** is equipment used in pumping water out from the ground which is powered either by electric motor or gasoline/diesel internal combustion engines.

**Water Testing** refers to the practice of collecting water samples from different water outlets at pre-determined periodic intervals and subject the samples for laboratory analysis to verify its potability.

**Withholding Tax** is a tax that is collected at the time when the income is paid or becomes payable, whichever comes first.

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## CHAPTER 1

### ORGANIZATIONAL STRUCTURE AND RESPONSIBILITIES OF ADMINISTRATIVE AND FINANCIAL SERVICES

#### Organizational Structure

The university is headed by the University President and assisted by the Vice President for Administration and Finance to look after the long-range financial matters and establish university-wide financial and administrative objectives, policies, programs, and practices that ensure a sound financial structure.

These are the offices under the direct supervision of the University President:

- Planning Unit
- Security Management Services Office
- Legal Unit
- Information and Communications Technology Office
- Quality Assurance Office
- Information Unit
- Gender and Development Office
- Project Management Unit
- Office of the University Board Secretary
- Office of International Relations

Offices and sections under the supervision of the Vice President for Administration and Finance.

- Finance Division
  - Budget Unit
  - Accounting Section
- Administrative Division
  - Cash Unit
  - General Services Unit
  - Supply and Property Management Unit
  - Records Unit
  - Procurement Unit
  - Human Resource Management Unit



# Organizational Chart for Administration and Finance



